Amending budget 1/2019: surplus of the financial year 2018

2019/2021(BUD) - 09/09/2019 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by John HOWARTH (S&D, UK) on the Council position on draft amending budget No 1/2019 of the European Union for the financial year 2019: Entering the surplus of the financial year 2018.

As a reminder, the Draft amending budget No 1/2019 aims to enter in the 2019 budget the surplus from the 2018 financial year.

The main components of that surplus are:

- a positive outturn on revenue of EUR 1 274.6 million and;

- an under-spending in expenditure of EUR 527.8 million.

On the revenue side, the largest difference stems from default interest and fines (EUR 1 312.6 million), the outturn being composed of competition fines and default interest, other penalty payments and interest linked to fines and penalty payments.

On the expenditure side, under-implementation in payments by the Commission reaches EUR 322.2 million for 2018 (of which 120 million from the Emergency Aid Reserve) and EUR 68 million for 2017 carryovers, and under-implementation by the other institutions EUR 75.9 million for 2018 and EUR 61.6 for 2017 carryovers.

Members took note of the Draft amending budget No 1/2019 as submitted by the Commission, which is devoted solely to the budgeting of the 2018 surplus, for an amount of EUR 1 803 million.

They noted that, according to the Commission, the competition fines in 2018 accounted for EUR 1 149 million and considered again that, besides any surplus resulting from under-implementation, the Union budget should be enabled to reuse any revenue resulting from fines or linked to late payments without a corresponding decrease in GNI contributions.

They recalled their position in favour of increasing the proposed Union reserve in the next Multiannual Financial Framework by an amount equivalent to the revenue resulting from fines and penalties.

The committee approved the Council position on Draft amending budget No 1/2019.